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CENTRAL INTELLIGENCE AGENCY

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COUNTRY China

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1. In mid-May 1952, many civilian business establishments in Fukien were forced to suspend business because of heavy taxes imposed by the Chinese Communist authorities. An average tax for a store was from JMP \$500,000 to JMP \$600,000.¹

2. In early May, JEN I-jen (0117/0001/0088), manager of the Wenchou Branch of the Chinese People's Bank and a former officer of the Communist 17 Army, absconded with 1,000 ounces of gold and JMP \$100,000,000,000.

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3. On 31 May, the Communist-controlled Amoy People's Bank received from the Communist authorities. starting 1 June, the National Industrial Bank of China and the China State Bank, Ltd., would be taken over by the Sin Hua Bank² in order to meet the present situation.³

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1. Comment. Possibly a monthly tax, its amount depending on the volume of business transacted.

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2. Comment. The Hong Kong branch of the Sin Hua Bank was being used by the Chinese Communists to handle foreign exchange in May 1950, according to

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3. Comment. Possibly the "present situation" is the financial disruption caused by the five anti's movement.

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